STATE OF CALIFORNIA STEVE WESTLY,
California State Controller

STATE CONTROLLER'S OFFICE 21st CENTURY PROJECT P. O. BOX 942850 Sacramento, CA 94250-5878

DATE: January 30, 2006 21st Century Project Letter #06-002

TO: 21st Century Project Department Stakeholders

RE: PROJECT STATUS UPDATE

Procurement

The 21st Century Project continues toward the goal of replacing existing systems (employment, payroll, position management, leave accounting, reporting), improving or adding new business processes (employee self-service, timekeeping, benefit administration), and preparing for change management. By using a split procurement strategy of selecting the software first, then selecting a System Integrator (SI), we are securing the best value for the project and for the State. To ensure success and select a proven product, both the software and SI vendors are required to have previous background and experience implementing large human resource projects.

The software vendor for the State of California has been selected. During May 2004 through March 2005, the Project Team, along with the Department of General Services (DGS), released the Software RFP, met with qualified bidders, received and reviewed draft proposals, and evaluated and scored the final proposals. In May 2005, SAP Public Services Inc. was selected and an interim software contract was signed.

In July 2005, the Project Team, along with DGS, released the SI RFP, met with qualified bidders, received and reviewed draft proposals, and held confidential discussions. Final proposals were submitted on January 19th and the evaluation and scoring process will take place in January and February. The SI is a key partner in the development of a new system. Responsible for working with the state on system design and development, the SI also provides experience and participates in organizational change management, communications, training, rollout and implementation. It is anticipated that an SI will be selected in February 2006.

Additional information on procurement can be found at: http://www.21stcentury.ca.gov/phases/index.shtml.

Career Opportunities

Looking for a new, challenging and rewarding job that offers opportunities to gain new business and technical skills? Consider joining the team. This is a rare opportunity to participate at the starting level on a new statewide business critical project. Add major project implementation skills to your work experience and gain valuable experience that will be applicable and marketable statewide. The 21st Century Project is the most innovative project evolving in state government and joining the project will put you at the forefront of change.

Positions are being posted on the 21st Century Web site. Opportunities are available in the business and technology areas, change management, communications, and training, and as a member of the

Department of Personnel Administration in support of the project. Additional information and current job opportunities can be viewed at: http://www.21stcentury.ca.gov/career/index.shtml.

21st Century Project Staff Relocation

With the current growth and expected increase in staffing, the team is relocating to a new office building in March 2006. Located in a new development in West Sacramento, the office will be furnished with new equipment, offices, workstations, and conference/training rooms. Parking is free and shopping is nearby with the addition of IKEA, Wal-Mart and Home Depot, as well as food establishments.

Participation in Design

With the selection of the System Integrator, one of the key tasks will be system design and development. Understanding the State's current "as is" business processes and designing the new system using best business practices and new technological capabilities will be critical to the project's success. Information has been, and continues to be, collected under the Business Case Benefits Study and Focus Group Study. In addition to this information we must have participation from our stakeholders during the design phase. A "survey of interest" study was released in July 2005 to identify departments' levels of interest in the different functional areas. The survey helped identify the highest levels, which departments may be interested in participating in the project, and suggestions for improvement. An updated interest survey will be released this spring in preparation for the design phase. We hope you will consider working with the project team and participating in the development of the new system. Additional information about design and development can be found at: http://www.21stcentury.ca.gov/phases/index.shtml#system.

Future stakeholder meetings

The next department stakeholder meetings are planned for May 2006, following the selection of the System Integrator. At that time, we will provide additional information on organizational change management strategies, preparation for the new technology platform, design and development plans, communication activities, etc. The meeting is also an opportunity for departments to have project team members answer your questions. To view questions and answers from previous stakeholder meetings see http://www.21stcentury.ca.gov/faqs/index.shtml. Stakeholder meeting summaries and presentations can also be viewed at http://www.21stcentury.ca.gov/meetings/index.shtml. We look forward to updating your department at the scheduled meeting.

The project team thanks stakeholders for their active participation, and for the enthusiasm that many have expressed for participating in this process. Any questions regarding the project can be sent to 21stcentury@sco.ca.gov.

Don Scheppmann, Chief, Business Operations 21st Century Project

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